
OLR Bill Analysis

sHB 5231 (as amended by House "A")*

AN ACT CONCERNING AUTOMOTIVE GLASS WORK.

SUMMARY:

This bill requires all oral communications from an insurance company or its claims administrators to insureds about glass repairs services or glass products to inform them of their right to choose where to have the work done. It prohibits vehicle physical damage appraisers from requiring or prohibiting that such works be done in or by a specified facility or repair shop. This prohibition already applies to vehicle repairs.

The bill bars insurance companies and their third-party claims administrators from providing an insured with the name of a glass shop with which they are affiliated or directing the insured to this shop, unless they provide the insured with the name of at least one other shop in the area where the glass will be repaired or replaced. A shop is affiliated if it is owned by the insurance company, claims administrator, or the parent company of the insurer or claims administration.

The bill makes related minor and technical changes.

*House Amendment "A" (1) eliminates a provision allowing the insurer or its third-party claims administrator to refer the insured to an Internet list of their approved glass repair shops in the state, (2) specifies when a shop is considered affiliated with an insurance company or claims administrator, (3) removes communications about glass replacements from the bill's scope, (4) eliminates a conforming change regarding insurance cards, and (5) makes minor related changes.

EFFECTIVE DATE: October 1, 2012

AUTOMOTIVE GLASS WORK

By law, insurance companies doing business in the state and their agents and adjusters may not require their insureds to use a specific person for glass replacement, glass repair services, or glass products. They may not state that using a repair shop that does not participate in a program established by the insurance company may (1) delay the repair or (2) mean that the work will not be guaranteed. The bill extends the latter provisions to glass work and glass repair shops.

The bill requires that, if there is oral communication between a glass representative for an insurance company or its third-party claims administrator and an insured about vehicle glass repair services or glass products, in the initial contact with the insured, the representative or third-party claims administrator must tell the insured: "You have the right to choose the licensed glass shop where the damage to your motor vehicle will be repaired. If you have a preference, please tell us now." By law, appraisals and estimates for physical damage claims written on behalf of insurers must have a written notice telling the insured that he or she has the right to choose the shop where the damage will be repaired.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 17 Nay 2 (03/13/2012)